

**GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA**

UNSTARRED QUESTION NO:5170

ANSWERED ON:05.04.2017

Calculation of GDP Growth

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Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) the Gross Domestic Product (GDP) of the country during each of the last five years, year-wise and quarter-wise and the GDP growth rates of the country during the said period, year-wise and quarter-wise;
- (b) the sector-wise growth in GDP during the said period, year-wise and quarter-wise;
- (c) the statistical/econometric model used for calculation of GDP growth of the said period;
- (d) whether the GDP calculation method has been changed and if so, whether the GDP calculated through the said method is not comparable with the previous calculation; and
- (e) if so, the reasons for changing the method in view of its incomparability with the GDP of last decade?

Answer

MINISTER OF STATISTICS AND PROGRAMME IMPLEMENTATION
(SHRI D. V. SADANANDA GOWDA)

(a): The details for the last five years of year-wise Gross Domestic Product (GDP) estimates, year-wise GDP growth rates and quarter-wise GDP estimates and growth rates, available up to the third quarter of the year 2016-17, are given in the statement at Annexure-I.

(b): GDP is estimated by combining the value of production in all sectors of the economy. Contribution of different sectors in GDP is measured in terms of their Gross Value Added (GVA). The details for the last five years of sector-wise growth rates in GVA, year-wise and quarter-wise, available up to the third quarter of the year 2016-17, are given in the statement at Annexure-II.

(c): GDP growth rate of a particular year is calculated as percentage change in the GDP of that year over the GDP of the previous year. GDP growth during a quarter of a year is calculated as percentage change in the GDP of that quarter over the GDP of the same quarter of previous year.

(d): The Central Statistics Office released the new series of national accounts with base year 2011-12 in January 2015. The new series is compliant with the latest United Nations guidelines in System of National Accounts- 2008. The new series represents a structural break from the old series, mainly due to availability and incorporation, of new source of information for the corporate sector, better estimates for the unorganised sector from the 2010-11 National Sample Survey on unincorporated enterprises and data on sales and service taxes. The new series, therefore, is not comparable with the old series with base year 2004-05.

(e): The base year revision exercises are undertaken, as per internationally accepted practice, to capture the changing structure of the economy. This ensures capturing latest information and hence accurately reflects the current economic situation in the country. GDP based on old series would not reflect the current economic situation correctly.
